

HOUSE BILL 284

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B2

1999 Regular Session  
9r1209  
CF 9r1210

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By: **Allegany County Delegation**

Introduced and read first time: February 4, 1999

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 29, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Allegany County Agricultural Expo and**  
3 **Fairgrounds**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$450,000,  
5 the proceeds to be used as a grant to the Board of County Commissioners of  
6 Allegany County for certain development or improvement purposes; providing  
7 for disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; requiring the grantee to grant and convey  
9 a certain easement to the Maryland Historical Trust; and providing generally for  
10 the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That:

13 (1) The Board of Public Works may borrow money and incur indebtedness on  
14 behalf of the State of Maryland through a State loan to be known as the Allegany  
15 County Agricultural Expo and Fairgrounds Loan of 1999 in a total principal amount  
16 equal to the lesser of (i) \$450,000 or (ii) the amount of the matching fund provided in  
17 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
18 and delivery of State general obligation bonds authorized by a resolution of the Board  
19 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
20 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as  
22 a single issue or may be consolidated and sold as part of a single issue of bonds under  
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
2 shall be credited on the books of the Comptroller and expended, on approval by the  
3 Board of Public Works, for the following public purposes, including any applicable  
4 architects' and engineers' fees: as a grant to the Board of County Commissioners of  
5 Allegany County (referred to hereafter in this Act as "the grantee") for the planning,  
6 design, construction, and capital equipping of the Allegany County fairgrounds of  
7 three connected pavilion buildings that would contain the Allegany County  
8 Agricultural Expo offices, exhibition areas, rest rooms, and showers and a separate  
9 expo building that would contain a year-round activity area with a catering kitchen  
10 and rest rooms that could be used for meetings, conventions, banquets, trade shows,  
11 and similar events.

12 (4) An annual State tax is imposed on all assessable property in the State in  
13 rate and amount sufficient to pay the principal of and interest on the bonds, as and  
14 when due and until paid in full. The principal shall be discharged within 15 years  
15 after the date of issuance of the bonds.

16 (5) (a) The grantee shall provide and expend a matching fund.

17 (b) No part of the grantee's matching fund may be provided, either  
18 directly or indirectly, from funds of the State, whether appropriated or  
19 unappropriated. The fund may consist of real property, in kind contributions, or funds  
20 expended prior to the effective date of this Act. In case of any dispute as to the amount  
21 of the matching fund or what money or assets may qualify as matching funds, the  
22 Board of Public Works shall determine the matter and the Board's decision is final.

23 (c) The grantee shall present evidence to the satisfaction of the Board of  
24 Public Works of the provision and expenditure of the matching fund, and the Board of  
25 Public Works shall disburse the proceeds of the grant under the provisions of this Act  
26 for the purposes set forth in Section 1(3) above, both to be done in installments.

27 (d) As the grantee provides and expends an installment of the matching  
28 fund, which shall be equal to at least 25% of the grant amount authorized in Section  
29 1(1) above, the Board of Public Works shall disburse an installment of the proceeds of  
30 the grant equal to the portion of the matching fund presented at that time by the  
31 grantee.

32 (e) This method of presentation of the matching fund in installments and  
33 of the disbursement of the proceeds of the loan in installments that are equal to each  
34 presentation of the matching fund shall continue until the first to occur of the  
35 disbursement of the total amount of the grant or June 1, 2001.

36 (f) The grantee has until June 1, 2001, to present the final evidence  
37 satisfactory to the Board of Public Works that the total matching fund will be  
38 provided. If satisfactory evidence is presented, the Board shall certify this fact, the  
39 amount of the final installment of the matching fund, and the amount of the total  
40 matching fund to the State Treasurer, and the final proceeds of the loan equal to the  
41 final installment of the matching fund shall be expended for the purposes provided in  
42 this Act. After June 1, 2001, any amount of the loan in excess of the amount of the

1 matching fund certified by the Board of Public Works shall be canceled and be of no  
2 further effect.

3       (6)     (a)     Prior to the issuance of the bonds, the grantee shall grant and convey  
4 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
5 its interest:

6                       (i)     On the land or such portion of the land acceptable to the Trust;  
7 and

8                       (ii)    On the exterior and interior, where appropriate, of the historic  
9 structures.

10                   (b)     The easement must be in form and substance acceptable to the Trust  
11 and the extent of the interest to be encumbered must be acceptable to the Trust.

12       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 June 1, 1999.